

WASHINGTON, DC – Today, Members of the Congressional Asian Pacific American Caucus (CAPAC), the Congressional Black Caucus (CBC) and the Congressional Hispanic Caucus (CHC) denounced the shameless tactic of blaming the financial meltdown on minorities by some commentators in the media and by some elected officials.

The Members of the Tri-Caucus, as the coalition is known, were appalled by comments that the roots of the housing market's collapse are policies meant to increase minority home ownership, mainly the Community Reinvestment Act (CRA). This is not only offensive to the 72 Members, but it is also false.

The purpose of the CRA is to ensure that underserved populations can obtain credit, including homeownership opportunities and commercial loans to small businesses. The CRA does not apply to institutions making the majority of predatory loans that created this crisis.

"I am angered by the blame and burden put onto our minority communities for the current financial crisis," said **Rep. Mike Honda (D-CA)**, Chair of CAPAC. "The CRA law requires that all CRA lending activities be executed through responsible and safe lending practices. To put further blame onto the victims of this financial crisis is cruel and borders on just plain bigoted."

The University of North Carolina at Chapel Hill Center for Community Capital states that the foreclosure crisis is more the result of loans with risky characteristics than the result of risky borrowers. The full analysis can be read on the following website: <http://www.slideshare.net/TriCaucus/risky-borrowers-or-risky-mortgages-1022008-presentation-632529>

"The baseless claims made by some that minorities and home loans given to minority families are responsible for the current economic crisis are not only patently false, but also divisive and hateful," said **Rep. Joe Baca (D-CA)**, Chair of the CHC. "Predatory lending and greed are the

root causes of the current downturn. To place the blame on those most victimized by these very practices is scapegoating of the worst kind and offends every sense of truth and moral responsibility.”

"During economic down turns, minority communities are historically more vulnerable and suffer the gravest hardships," said **Rep. Carolyn C. Kilpatrick (D-MI)**, Chairwoman of the CBC. "Therefore, any conjecture that the current financial crisis is due in part to minorities is absolutely unacceptable and un-American."

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The Congressional Tri-Caucus includes the Congressional Black Caucus, Congressional Hispanic Caucus and Congressional Asian Pacific American Caucus. The objectives of the Congressional Tri-Caucus are to promote the public health and well-being through legislative action, social outreach, and political engagement. To this end, the Tri-Caucus seeks to preserve our Nation's commitment to fair and equitable treatment to all Americans. The Tri-Caucus has worked together for over a decade to ensure that the Congressional legislative agenda reflects the health challenges of all Americans.